

RIGHTS TO CONVERSION COVERAGE UNDER KENTUCKY LAW

How is conversion different from continuation?

State continuation provides an opportunity for you to extend your group health insurance coverage for a specified period of time. There may be circumstances, however, in which you will not be eligible for continued group coverage, making it necessary for you to obtain insurance on your own. That is where **conversion** comes in. The conversion provision in Kentucky law gives you the right to convert the group plan you will be losing to an individual policy offering benefits that are substantially similar to those you had through group coverage.

What rights to conversion coverage does Kentucky law provide?

If you are a group member with a fully-insured plan and you have been covered under any group health insurance policy for at least three months, you have the right to a conversion health insurance policy. The policy must provide benefits that are substantially similar to the coverage you had at the time your membership in the group was terminated. For instance, in a situation where the group coverage ends completely or the group no longer exists, you as an individual employee are eligible for conversion coverage.

Keep in mind that when the 18-month period for continuation coverage ends, you have the right to convert to an individual policy with substantially similar benefits. There is no time limit on how long you can keep your conversion coverage. Be aware that although the law requires that you be offered benefits substantially similar to your group coverage, there are no restrictions to keep premium costs in line with the group rate you were previously paying.

What are the terms of conversion health insurance coverage?

- Conversion health insurance coverage must be made available to you without evidence of insurability and with no pre-existing condition limitations under most circumstances.
- The conversion health insurance policy will cover you and any eligible dependents who were covered by the group policy on the date the group coverage ended.
- The effective date of the conversion health insurance policy will be the date your group coverage ended.
- The conversion health insurance policy must provide benefits substantially similar to those offered by your group policy, but not less than minimum standards according to Kentucky laws and regulations.

Who, in addition to the group member, is eligible for conversion under state law?

A conversion health insurance policy will cover any eligible dependents that were covered by the group policy on the date coverage under the group policy ended.

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Are there exceptions to this eligibility?

The following are situations in which conversion health coverage need not be granted:

- If you are or could be covered by Medicare.
- If you are or could be covered by other group coverage, or if you have obtained individual coverage with substantially similar benefits.

For more information or assistance, please contact:

Kentucky Health Insurance Advocate's Office

877-587-7222 (Toll free in Kentucky)

502-564-6034 (Local and out of state)

DOI.CAPOmbudsman@ky.gov

<http://healthinsurancehelp.ky.gov>

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